

The Gazette of India



EXTRAORDINARY
PUBLISHED BY AUTHORITY

NEW DELHI, THURSDAY, MARCH 31, 1949

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV

Acts of the Dominion Legislature assented to by the Governor General

GOVERNMENT OF INDIA

MINISTRY OF LAW

New Delhi, the 31st March, 1949.

The following Act of the Dominion Legislature received the assent of the Governor General on the 31st March, 1949 and is hereby published for general information:—

Act No. XIV of 1949.

An Act to give effect to the financial proposals of the Central Government for the year beginning on the first day of April, 1949

WHEREAS it is expedient to discontinue the duty on salt, to fix maximum rates of postage under the Indian Post Office Act, 1898, to alter certain duties on customs and excise, to levy certain additional duties of customs and excise, to fix rates of, and make certain provisions relating to, income-tax and super-tax, and to continue, for a period of one year, the tax imposed by the Business Profits Tax Act, 1947;

It is hereby enacted as follows:—

1. (1) This Act may be called the Indian Finance Act, 1949. Short title and extent.
- (2) It extends to all the Provinces of India.
2. For the year beginning on the 1st day of April, 1949, no Discontinuance duty shall be levied on salt manufactured in, or imported by sea, of salt duty, or by land into, the Provinces of India.
3. For the year beginning on the 1st day of April, 1949, the Inland postage Schedule contained in the First Schedule to this Act, shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act. rates.
4. In the First Schedule to the Indian Tariff Act, 1934 :— Alteration of certain duties of customs.
 - (a) in Item No. 9(5), for the entry in the fourth column, the entry "Seven annas and six pies per lb." shall be substituted, and for the entry in the sixth column, the entry "Seven annas per lb." shall be substituted ;
 - (b) in Item No. 24, for the entry in the fourth column, the entry "Rs. 16-4-0 per lb." shall be substituted ;
 - (c) in Item No. 24(1), for the entry in the fourth column, the entry "37½ per cent. *ad valorem* plus Rs. 15-10-0 per lb." shall be substituted

(d) in Item No. 24(2), for the entry in the fourth column, the entry "37½ per cent. *ad valorem plus* Rs. 39-1-0 per thousand or Rs. 15-10-0 per lb. whichever is higher" shall be substituted;

(e) for Item No. 28(14), the following Item shall be substituted, namely :—

"28 (14)	Toilet Requisites	Revenue	37½ per cent."
	not otherwise specified.		<i>ad valorem.</i>			

(f) in each of the Items Nos. 34(3), 51, 61(8), 61(9), 78, 82(1) and 85(1), for the entry in the fourth column, the entry "75 per cent. *ad valorem*" shall be substituted ;

(g) in each of the Items Nos. 44, 45, 60, 71(2) and 71(3), for the entry in the fourth column, the entry "37½ per cent. *ad valorem*" shall be substituted ;

(h) after Item No. 60(5), the following Item shall be inserted, namely :—

"60(6)	Sheet and plate glass.	Revenue	45 per cent.
			<i>ad valorem.</i>			

(i) in Item No. 73(2), the words "flash lights" shall be omitted;

(j) after Item No. 73(13), the following Item shall be inserted, namely :—

"73 (14)	Flash lights	Revenue	37½ per cent."
			<i>ad valorem.</i>			

(k) in Item No. 77, the words "including photographic" shall be omitted ; and

(l) after Item No. 77(4), the following Item shall be inserted, namely :—

"77 (5)	Photographic instruments, apparatus and appliances.	Preferential Revenue.	45 per cent. <i>ad valorem.</i>	38 per cent. <i>ad valorem.</i>"
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Additional duties
on customs.

5. When any goods chargeable with a duty of customs under the First Schedule to the Indian Tariff Act, 1934, or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall, up to the 31st day of March, 1950, be levied and collected as an addition to, and in the same manner as, the total amount so chargeable—

XXXII of
1934.

(a) a sum equal to such amount, in the case of goods comprised in Items Nos. 22 (2) and 22 (4) ;

(b) a sum equal to one-half of such amount, in the case of goods comprised in Items Nos. 48, 48(1), 48(2), 48(4), 48(5), 48(6), 48(7), 48(8), 48(10) and 51(2) ;

(c) a sum equal to two-fifths of such amount, in the case of goods comprised in Items Nos. 47(2), 59(2), 59(4) and 59 (5) ; and

(d) a sum equal to one-fifth of such amount, in the case of goods comprised in any Item of the said Schedule other than those specified in clause (a), (b) or (c) of this section or in the Second Schedule to this Act :

Provided that in the case of goods comprised in Items Nos. 48 to 48(10), both inclusive, if the duty of excise for the time being leviable on like goods exceeds the sum of—

- (i) the duty of customs chargeable under the First Schedule to the Indian Tariff Act, 1934, or under that Schedule read with any notification of the Central Government for the time being in force, and
- (ii) the additional duty of customs chargeable under clause (b) or (d) of this section,

there shall, up to the 31st day of March, 1950, be levied and collected as a further addition to, and in the same manner as, the duties of customs so chargeable an amount equal to the aforesaid excess.

XXXII of
1934.

6. In the Second Schedule to the Indian Tariff Act, 1934,—

Imposition and alteration of certain export duties.

(a) in Item No. 1, for the words and brackets "Raw Jute (other than Bimlipatam jute)" in the entry in the second column, the words and brackets "Raw Jute (including Bimlipatam jute and mesta fibre)" shall be substituted;

(b) in Item No. 2, for the words and brackets "Jute manufactures (other than of Bimlipatam jute)", in the entry in the second column, the words and brackets "Jute manufactures (including manufactures of Bimlipatam jute and of mesta fibre)" shall be substituted;

(c) in Item No. 6, for the entry in the third column, the entry "10 per cent. *ad valorem*" shall be substituted;

(d) Items Nos. 8 and 9 shall be omitted; and

(e) after Item No. 7, the following Item shall be inserted, namely:—

"8. Cigarettes, cigars and cheroots	..	15 per cent. <i>ad valorem</i> ."
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1 of 1944.

7. In the First Schedule to the Central Excises and Salt Act, 1944,—

Imposition and alteration of certain duties of excise.

(a) in Item No. 2, for sub-items (1) and (2), the following shall be substituted, namely:—

"(1) Matches, in boxes containing 60 matches on an average, if manufactured in a factory whose output—

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|---|--|
| (i) exceeds five hundred thousand gross of boxes per year. | Three rupees per gross of boxes. |
| (ii) does not exceed five hundred thousand gross of boxes per year, but exceeds one hundred gross of boxes per day. | Two rupees, fifteen annas and three pies per gross of boxes. |
| (iii) does not exceed one hundred gross of boxes per day. | Two rupees and fourteen annas per gross of boxes. |

(2) Matches, in boxes containing 40 matches on an average, if manufactured in a factory whose output—

- | | |
|--|---|
| (i) exceeds five hundred thousand gross of boxes per year. | Two rupees per gross of boxes. |
| (ii) does not exceed five hundred thousand gross of boxes per year but exceeds one hundred gross of boxes per day. | One rupee, fifteen annas and six pies per gross of boxes. |
| (iii) does not exceed one hundred gross of boxes per day. | One rupee and fifteen annas per gross of boxes." |

(b) in Item No. 4, for the entry in the third column, the entry "Fifteen annas per imperial gallon" shall be substituted;

(c) in Item No. 8, for the entry in the third column against sub-item (1), the entry "Three rupees and twelve annas per cwt." shall be substituted;

(d) for Item No. 10, the following Item shall be substituted, namely :—

"10. TYRES—

'Tyre' means a pneumatic tyre in the manufacture of which rubber is used, and includes the inner tube and the outer cover of such a tyre;

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| (1) Tyres for motor vehicles | 30 per cent.
<i>ad valorem.</i> |
| (2) All other tyres | 15 per cent.
<i>ad valorem.</i> |

and

(e) Item No. 12 inserted by section 2 of the Central Excises and Salt (Amendment) Ordinance, 1949, shall be omitted, and the following item inserted in lieu thereof, namely :—

"12. CLOTH—

'Cloth' means any type of cloth manufactured either wholly from cotton or partly from cotton and partly from any other material, but does not include—

- (i) ready made clothing other than dhoties and saris;
- (ii) hosiery;
- (iii) leather cloth and inferior or imitation leather cloth ordinarily used in book-binding;
- (iv) tracing paper;
- (v) cloth manufactured partly from cotton and partly from wool and containing 40 per cent. or more of wool by weight;
- (vi) rubberised or synthetic waterproof fabrics whether single-textured or double-textured; and
- (vii) hand-loom cloth.

(1) Superfine cloth—

that is to say, cloth in which the count of warp yarn (whether single or folded) is 48s or finer. Twenty-five per cent. *ad valorem.*

(2) Fine cloth—

that is to say, cloth in which the count of warp yarn (whether single or folded) is 35s or finer but does not exceed 47s. Six and one-fourth per cent. *ad valorem.*

(3) Medium cloth—

that is to say, cloth in which the count of warp yarn (whether single or folded) is 17s or finer but does not exceed 34s. Three pice per yard.

(4) Coarse cloth—

that is to say, all other cloth in which the count of warp yarn (whether single or folded) does not exceed 16s. Three pice per yard."

Amendment of Act
XI of 1922.

8. (1) The following amendments shall be made in the Indian Income-tax Act, 1922 (hereafter in this Act referred to as "the Income-tax Act"), namely :—

(a) for clause (6) of section 2, the following clause shall be substituted, namely :—

"(6) 'company' means—

(i) any Indian company, or

(ii) any association, whether incorporated or not and whether Indian or non-Indian, which is or was assessable, or was assessed, as a company for the assessment for the year ending on the 31st day of March, 1948, or which is declared by general or special order of the Central Board of Revenue to be a company for the purposes of this Act";

(b) in the last proviso to clause (6A) of section 2, after the figures "1946", the words and figures "or after the 31st day of March, 1948" shall be inserted and

(c) in sub-section (1) of section 12B, after the figures "1946", the words and figures "and before the 1st day of April, 1948" shall be inserted.

(2) The amendment made by clause (a) of sub-section (1) shall be deemed to be operative so as to apply in relation to all assessments subsequent to the assessment for the year ending on the 31st day of March, 1948, whether such assessments have, or have not, been made before the commencement of this Act.

9. (1) Subject to the provisions of sub-sections (3), (4), (5) and (6), for the year beginning on the 1st day of April, 1949,— **Income-tax and Super-tax.**

(a) income-tax shall be charged at the rates specified in Part I of the third Schedule, and

XI of 1922. (b) rates of super-tax shall, for the purposes of section 55 of the Income-tax Act, be those specified in Part II of the Third Schedule.

(2) In making any assessment for the year ending on the 31st day of March, 1950, there shall be deducted from the total income of an assessee, in accordance with the provisions of section 15A of the Income-tax Act, an amount equal to one-fifth of the earned income, if any, included in his total income, but not exceeding in any case four thousand rupees.

(3) In making any assessment for the year ending on the 31st day of March, 1950,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" as reduced by the deduction for earned income appropriate thereto, or any income chargeable under the head "Interest on securities", or any income from dividends in respect of which he is deemed under section 49B of the Income-tax Act to have paid income-tax imposed in British India, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Indian Finance Act, 1948, on his total income the same proportion as the amount of such inclusions bears to his total income;

XX of 1948

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (2) of section 18 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable, according to the rates applicable under the operation of the Indian Finance Act, 1948, on his total income the same proportion as the amount of such inclusion bears to his total income.

(4) In making any assessment for the year ending on the 31st day of March, 1950, where the total income of an assessee consists partly of earned income and partly of unearned income, the super-tax payable by him shall be—

- (i) on that part of the earned income chargeable under the head "Salaries" to which clause (b) of sub-section (3) applies, the amount of super-tax computed in accordance with the provisions of that sub-section, *plus*
- (ii) on the remainder of the earned income, the amount which bears to the total amount of super-tax which would have been payable on his total income had it consisted wholly of earned income the same proportion as such remainder bears to his total income, *plus*
- (iii) on the unearned income, the amount which bears to the total amount of super-tax which would have been payable on his total income had it consisted wholly of unearned income the same proportion as the unearned income bears to his total income.

(5) In making any assessment for the year ending on the 31st day of March, 1950,—

- (a) where the total income of a company includes any profits and gains from life insurance business, the super-tax otherwise payable by the company on the whole of such total income shall be reduced by an amount which bears to that super-tax the same proportion as the amount of such inclusion bears to its total income or by an amount computed at the rate of two annas in the rupee on the amount of such inclusion, whichever is less;
- (b) where the total income of an assessee, not being a company, includes any profits and gains from life insurance business, the income-tax and super-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of such taxes payable according to the rates applicable under the operation of the Indian Finance Act, 1942, on his total income the same proportion as the amount of such inclusion bears to his total income, so however that the aggregate of the taxes so computed in respect of such inclusion shall not in any case exceed the amount of tax payable on such inclusion at the rate of five annas in the rupee.

XII of 1942.

(6) In cases to which section 17 of the Income-tax Act applies, the tax chargeable shall be determined as provided in that section, but with reference to the rates imposed by sub-section (1), and in accordance, where applicable, with the provisions of sub-sections (3), (4) and (5) of this section.

(7) For the purposes of making any deduction of income-tax in the year beginning on the 1st day of April, 1949, under sub-section (2) or sub-section (2B) of section 18 of the Income-tax Act from any earned income chargeable under the head "Salaries", the estimated total income of the assessee under this head shall, in computing the income-tax to be deducted, be reduced by an

amount equal to one-fifth of such earned income, but not exceeding in any case four thousand rupees ; but no abatement shall be allowed by the person responsible for paying the salary in respect of any donations made by the assessee to which section 15B of the Income-tax Act is or may be applicable.

(8) For the purposes of this section and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

XX of 1948. 10. (1) Notwithstanding anything contained in sub-section (1) of section 9 of, or paragraph D of Part II of the Second Schedule to, the Indian Finance Act, 1948, the rate of super-tax for the purposes of section 55 of the Income-tax Act and for the year beginning on the 1st day of April, 1948, shall be four annas per rupee of the total income in the case of any company not entitled to the rebate allowed by the proviso to paragraph D of Part II of the Second Schedule to the Indian Finance Act, 1948, unless it was—

Re-assessment
super-tax in
case of certain co-
panies.

(a) a public company whose shares were offered for sale in a recognised Stock Exchange at any time during the previous year, or

(b) a company all of whose shares were held at the end of the previous year by one or more such public companies as aforesaid.

VII of 1913. (2) For the purposes of sub-section (1), a company shall be deemed to be a public company only if it is neither a private company within the meaning of the Indian Companies Act, 1913, nor a company in which shares carrying more than fifty per cent. of the total voting power were, at any time during the previous year, held or controlled by less than six persons.

(3) Where the assessment for the year beginning on the 1st day of April, 1948, has been made before the commencement of this Act in respect of any company to which sub-section (1) of this section applies, it shall be revised by the Income-tax Officer so as to give effect to the provisions of that sub-section.

XXI of 1947. 11. (1) In sub-clause (a) of clause (4) of section 2 of the Business Profits Tax Act, 1947, for the figures "1948" the figures "1949" shall be substituted.

Business Profits
Tax.

(2) The tax imposed by section 4 of the said Act shall, in respect of any chargeable accounting period beginning after the 31st day of March, 1948, be an amount equal to 10 per cent. of the taxable profits.

(3) For the purposes of the said Act, "abatement" shall mean, in respect of any chargeable accounting period beginning after the 31st day of March, 1948, a sum which bears—

(a) in the case of a company not being a company deemed for the purposes of section 9 of the said Act to be a firm, to a sum equal to six per cent. of the capital of the

company on the first day of the said period, computed in accordance with Schedule II to the said Act, or two lakhs of rupees, whichever is greater; or

(b) in any other case, to two lakhs of rupees,

the same proportion as the said period bears to the period of one year.

repeals.

12. The Indian Tariff (Amendment) Ordinance, 1948, and the XXXIII of Central Excises and Salt (Amendment) Ordinance, 1949, are 1948. I of 1949, hereby repealed.

THE FIRST SCHEDULE

(See section 3.)

VI of 1938.

Schedule to be inserted in the Indian Post Office Act, 1898.

" THE FIRST SCHEDULE

INLAND POSTAGE RATES

(See section 7.)

Letters

For a weight not exceeding one tola Two annas.

For every tola, or fraction thereof, exceeding one tola One anna.

Postcards

Single Nine pies.

Reply One and a half annas.

Book, Pattern and Sample Packets

For the first five tolas or fraction thereof Nine pies.

For every additional two and a half tolas, or fraction thereof, in excess
of five tolas Three pies.*Registered Newspapers*

For a weight not exceeding ten tolas Three pies.

For a weight exceeding ten tolas and not exceeding twenty tolas Six pies.

For every twenty tolas, or fraction thereof, exceeding twenty tolas Six pies.

In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—

For a weight not exceeding ten tolas Six pies.

For every additional five tolas, or fraction thereof, in excess of ten
tolas : Three pies.

Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the post office :

Parcels

For a weight not exceeding forty tolas Six annas

For every forty tolas, or fraction thereof, exceeding forty tolas Six annas".

THE SECOND SCHEDULE

(See section 5.)

Goods on which additional duty of customs is not leviable.

A. Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, namely :—

XXXI of
1934.

2, 4, 4(1), 4(3), 4(4), 4(5), 7(1), 8(1), 8(2), 8(3), 8(4), 8(5), 9(3), 9(5), 9(6), 9(7), 11(4), 11(5), 12(6), 13(4), 13(8), 13(9), 15, 15(5), 15(9), 15(10), 15(11), 15(12), 16, 16(1), 16(3), 20(1), 20(2), 20(3), 20(4), 20(5), 20(6), 20(7), 20(8), 20(9), 21(3), 21(4), 21(5), 21(6), 21(7), 21(8), 21(9), 22(3), 22(5), 24, 24(1), 24(2), 24(3), 25(1), 27(1), 27(2), 27(3), 27(4), 27(5), 27(6), 27(9), 28, 28(8), 28(14), 28(15), 28(16), 28(17), 28(18), 28(19), 28(20), 28(21), 28(22), 28(23), 28(24), 28(25), 28(26), 28(27), 28(28), 28(29), 28(30), 29, 29(1), 30, 30(1), 30(2), 30(9), 30(10), 30(11), 30(12), 30(13), 31(4), 34(3), 40(4), 40(5), 40(6), 40(7), 43, 44, 44(1), 45, 45(3), 46(3), 49, 49(2), 51, 52(4), 53(2), 55, 55(1), 55(2), 55(3), 60, 60(2), 60(3), 60(4), 60(5), 60(6), 61(2), 61(3), 61(8), 61(9), 61(11), 62(1), 62(2), 63(30), 63(31), 63(32), 63(33), 63(34), 63(35), 64, 64(3), 64(4), 65, 67, 67(1), 67(2), 68, 68(2), 69(2), 70, 70(1), 70(2), 70(3), 70(4), 70(5), 70(6), 70(9), 71(2), 71(3), 71(7), 71(8), 71(9), 71(10), 72, 72(1), 72(2), 72(3), 72(4), 72(5), 72(11), 72(12), 72(13), 72(14), 72(15), 72(16), 72(17), 72(18), 72(19), 72(20), 72(21), 72(22), 72(23), 72(24), 72(25), 72(26), 72(27), 72(28), 73(2), 73(4), 73(7), 73(8), 73(9), 73(10), 73(11), 73(12), 73(13), 73(14), 74(2), 74(4), 75(1), 75(5), 75(6), 75(7), 75(8), 77(2), 77(4), 77(5), 78, 78(1), 79, 82(1), 84, 84(1), 85(1).

B. Goods comprised in the following Items of the First Schedule to the Indian Tariff Act, 1934, when the Customs Collector is satisfied that such goods are the produce or manufacture of Burma, namely :—

No. 7 (potatoes and onions only) and Nos. 9, 9(3), 13(2), 17 and 34(4) (a).

THE THIRD SCHEDULE

(See section 9.)

PART I

Rates of Income-tax

A. In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which paragraph B or C of this Part applies—

	Rate
1. On the first Rs. 1,500 of total income	Nil.
2. On the next Rs. 3,500 of total income	Nine pies in the rupee.
3. On the next Rs. 5,000 of total income	One anna and nine pies in the rupee.
4. On the next Rs. 5,000 of total income	Three and a half annas in the rupee.
5. On the balance of total income	Five annas in the rupee.

Provided that—

(i) no income-tax shall be payable on a total income which, before deduction of the allowance, if any, for earned income, does not exceed the limit specified below ;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income (before deduction of the said allowance, if any, for earned income) exceeds the said limit ;

(iii) the income-tax payable on the total income as reduced by the allowance for earned income shall not exceed either—

(a) a sum bearing to half the amount by which the total income (before deduction of the allowance for earned income) exceeds the said limit the same proportion as such reduced total income bears to the unreduced total income, or

(b) the income-tax payable on the income so reduced at the rates herein specified,—

whichever is less.

The limit referred to in the above proviso shall be—

(i) Rs. 5,000 in the case of every Hindu undivided family which satisfies as at the end of the previous year either of the following conditions, namely:—

(a) that it has at least two members entitled to a share on partition who are not less than 18 years of age; or

(b) that it has at least two members entitled to a share on partition neither of whom is a lineal descendant of the other and both of whom are not lineally descended from any other living member of the family; and

(ii) Rs. 3,000 in every other case.

B. In the case of every company—

	Rate
On the whole of total income	Five annas in the rupee :

Provided that in the case of an Indian company—

(i) where the total income, as reduced by seven annas in

the rupee and by the amount, if any, exempt from income-tax, exceeds the amount of any dividends (including dividends payable at a fixed rate) declared in respect of the whole or part of the previous year for the assessment for the year ending on the 31st day of March, 1950, and no order has been made under sub-section (1) of section 23A of the Income-tax Act, a rebate shall be allowed at the rate of one anna XI of 1922, per rupee on the amount of such excess;

(ii) where the amount of dividends referred to in clause (i) above exceeds the total income as reduced by seven annas in the rupee and by the amount, if any, exempt from income-tax, there shall be charged on the total income an additional income-tax equal to the sum, if any, by which the aggregate amount of income-tax actually borne by such excess (hereinafter referred to as "the excess dividend") falls short of the amount calculated at the rate of five annas per rupee on the excess dividend.

For the purposes of the above proviso, the expression "dividend" shall have the meaning assigned to it in clause (6A) of section 2 of the Income-tax Act, but any distribution included in that expression, made during the year ending on the 31st day of March, 1950, shall be deemed to be a dividend declared in respect of the whole or part of the previous year.

For the purposes of clause (ii) of the above proviso, the aggregate amount of income-tax actually borne by the excess dividend shall be determined as follows:—

(i) the excess dividend shall be deemed to be out of the whole or such portion of the undistributed profits of one or more years immediately preceding the previous year as would be just sufficient to cover the amount of the excess dividend and as have not likewise been taken into account to cover an excess dividend of a preceding year;

(ii) such portion of the excess dividend as is deemed to be out of the undistributed profits of each of the said years shall be deemed to have borne tax,—

(a) if an order has been made under sub-section (1) of section 23A of the Income-tax Act, XI of 1922, in respect of the undistributed profits of that year, at the rate of five annas in the rupee, and

(b) in respect of any other year, at the rate applicable to the total income of the company, for that year reduced by the rate at which rebate, if any, was allowed on the undistributed profits.

C. In the case of every local authority and in every case in which, under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate—

	Rate.
On the whole of total income	Five annas in the rupee.

PART II

Rates of Super-tax

A. In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which any other paragraph of this Part applies—

	Rate, if income wholly earned	Rate, if income wholly unearned
1. On the first Rs. 25,000 of total income	Nil	Nil
2. On the next Rs. 15,000 of total income	Two annas in the rupee.	Three annas in the rupee.
3. On the next Rs. 15,000 of total income	Three annas in the rupee.	Four and a half annas in the rupee.
4. On the next Rs. 15,000 of total income	Five annas in the rupee.	Six annas in the rupee.
5. On the next Rs. 15,000 of total income.	Six annas in the rupee.	Seven annas in the rupee.
6. On the next Rs. 15,000 of total income.	Six and a half annas in the rupee.	Eight annas in the rupee.
7. On the next Rs. 50,000 of total income.	Seven annas in the rupee.	Nine annas in the rupee.
8. On the next Rs. 1,00,000 of total income.	Eight annas in the rupee.	Nine and a half annas in the rupee.
9. On the next Rs. 1,00,000 of total income.	Eight and a half annas in the rupee.	Ten annas in the rupee.
10. On the balance of total income	Nine annas in the rupee.	Ten annas in the rupee.

B. In the case of every local authority—

Rate

On the whole of total income . . . Two annas in the rupee.

C. In the case of an association of persons being a co-operative society (other than the Sanikatta Saltowners' Society in the Bombay Province) for the time being registered under the Co-operative Societies Act, 1912, or under an Act of a Provincial Legislature governing the registration of co-operative societies—

II of, 1912.

	Rate
1. On the first Rs. 25,000 of total income	Nil.
2. On the balance of total income	Two annas in the rupee.

D. In the case of every company—

Rate

On the whole of total income . . . Four annas in the rupee.

Provided that—

(i) a rebate at the rate of three annas per rupee of the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax under the Income-tax Act for the year ending on the 31st day of March, 1950, XI of 1922, has made the prescribed arrangements for the declaration and payment in the Provinces of the dividend payable out of such profits and for the deduction of super-tax from dividends in accordance with the provisions of sub-section (3D) or (3E) of section 18 of that Act, and

(b) is a public company with total income not exceeding Rs. 25,000 ;

(ii) a rebate at the rate of two annas per rupee of the total income shall be allowed in the case of any company which satisfies condition (a), but not condition (b), of the preceding clause; and

(iii) a rebate at the rate of one anna per rupee of the total income shall be allowed in the case of any company which, not being entitled to a rebate under either of the preceding clauses, is—

(a) a public company whose shares were offered for sale in a recognised stock exchange at any time during the previous year, or

(b) a company all of whose shares were held at the end of the previous year by one or more such public companies as aforesaid:

Provided further that the super-tax payable by a company the total income of which exceeds Rs. 25,000 shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been Rs. 25,000, and

(b) half the amount by which its total income exceeds Rs. 25,000.

Explanation.—For the purposes of this paragraph of this Part, a company shall be deemed to be a public company only if it is neither a private company within the meaning of the Indian Companies Act, 1913, nor a company in which shares carrying more than fifty per cent. of the total voting power were, at any time during the previous year, held or controlled by less than six persons.

• K. V. K. SUNDARAM,
Secy to the Govt. of India.

